

June X, 2018

The Honorable Dennis Ross
U.S. House of Representatives
Washington, D.C. 20515

To Representative Ross:

We, the undersigned organizations, write to express our concerns with your draft proposal to cut housing benefits through increased rents and de facto time limits for millions of low income families.

One of the biggest barriers to economic prosperity for America's lowest income families is the lack of decent, accessible, and affordable homes. Research shows that when people have a stable, decent, and accessible home that they can afford, they are better able to find employment, achieve economic mobility, age in place, perform better in school, and maintain improved health. Despite the clear benefits, millions of the lowest income people cannot afford a decent place to call home in every state and community. More people are renting than ever before, wages for the lowest income people are not keeping pace with rising rents, and federal investments in affordable housing and housing assistance are chronically underfunded. In fact, three in every four families in need of housing benefits are turned away, due to lack of sufficient funding.

The draft bill establishes unaccountable, alternative rent policies that public housing agencies and some housing providers may choose to adopt, all of which would raise rents for the poorest households. For families living paycheck to paycheck, any rent increase may result in fewer resources for groceries, medications, childcare, and other basic needs, let alone investments in their futures, including education and training. We are concerned that your draft bill to cut housing benefits could leave even more low income people—including older adults, people with disabilities, veterans, children, and other vulnerable populations—without a stable home, making it harder for them to climb the economic ladder and live with dignity.

The draft bill could also create a chaotic, complicated patchwork of rent structures by allowing each of the more than 3,800 public housing agencies to choose their own rent structure for each of the properties they maintain. This arrangement would be confusing to low income households seeking assistance and make it harder for families to use their housing assistance to move to areas of opportunity with access to good jobs, better schools, transit and healthcare.

Moreover, this haphazard structure would undermine HUD's oversight of federal housing programs, reducing accountability for the majority of the HUD budget. In a recent report, the Government Accountability Office found that HUD currently fails to provide effective oversight of alternative rent policies.¹

¹ <https://www.gao.gov/assets/690/689583.pdf>

Recommendations

Instead of imposing increased rents or de facto time limits, we recommend that Congress expand proven solutions to help struggling families earn more and get ahead. This starts with expanding—not slashing—investments in affordable homes, job training, education, childcare, and other policies to help families thrive.

There are a number of a steps both Congress and the administration can take to promote higher earnings among low income households. To this end, we urge Congress to expand funding for voluntary programs – like Jobs Plus and Family Self-Sufficiency – that provide services and financial incentives to help families increase their earnings without the risks and added costs.

HUD should evaluate existing demonstration programs to determine the impact on tenants and outcomes, before Congress or the administration makes a fundamental shift in longstanding federal rent policies. HUD is already testing some of the proposed policies through its rent reform demonstration and is planning rigorous evaluation of others.

Moreover, Congress should exercise its oversight authority and urge HUD to implement bipartisan rent changes enacted in the 2016² that encourage work among housing beneficiaries and reduce administrative burdens.

We stand ready to work with you to best help low income families achieve financial stability and prosperity.

Sincerely,

² <https://www.congress.gov/114/plaws/publ201/PLAW-114publ201.pdf>